



TO: The Legislative Implementation Review Committee

FROM: Colorado Health Benefit Exchange

DATE: July 30, 2012

SUBJECT: Second Level 1 Establishment Grant

The attached documents summarize the narrative, work plan and budget proposed in the second Level 1 Establishment Grant application to support the Colorado Health Benefit Exchange (COHBE). We've also included a letter of support from the Colorado Association of Commerce and Industry, the Colorado Competitive Council, Colorado Concern, the Denver Metro Chamber of Commerce and the National Federation of Independent Business (NFIB). This grant proposal has been reviewed and approved by the COHBE Board of Directors (Board) and their comments have been incorporated.

Back in December 2011 the Board and Legislative Implementation Review Committee approved the first Level 1 Establishment Grant application for \$17.9 million. This grant was awarded for a 9 month period between February 2012 and October 2012. COHBE is on target to fully use the money awarded for this period of time for design and the first part of implementation of the organization and technology solution. In an effort to minimize any disruptions in funding, COHBE is now applying for a second Level 1 Establishment Grant and the application deadline is August 15th, 2012. We would expect funds to be awarded in October 2012.

The funding we are requesting through this second Level 1 Establishment Grant will run from October 2012 through July 2013. The length of the grant period reflects our business strategy to maintain operations and contractual payments for a period of time while also allowing us the flexibility to apply for a Level 2 Establishment Grant early in 2013. The Level 2 Establishment Grant will give COHBE the necessary funding to finish implementing, testing and deploying the technology solution and run the first year of operations. The Level 2 Establishment grant application deadlines include February 15, 2013 and May 15th, 2013. That grant period would run from July 2013 through end of year 2014.

There are a few additional points to keep in mind as you review the documents

- As of July 2012, there have been six states that have requested or have been awarded their total financing, including their Level 2 grants. The combined grant requests (Level 1 and 2) in those states average \$133 million. Colorado's Exchange will be well below that number; among the lowest requests.
- We expect our final Level 2 Establishment Grant request to be smaller than this second Level 1 Establishment Grant request because a significant portion of the total technology implementation costs will be paid during the October 2012 – July 2013 grant period.
- The COHBE employee and contract employee segment of the budget is 4.7% of the total request. Contractual technology costs are 81% of the budget.
- We anticipate new job creation in Colorado to exceed 180 new jobs through the design and implementation of COHBE. These jobs include implementation-only roles and ongoing positions at COHBE, the service center, imaging and process support, and vendor partner positions.



Summary of the Colorado Health Benefit Exchange Level One Establishment Grant Application

(7/31/12)

Background

- The objective is to create a Colorado Exchange that will increase access, affordability and choice for individuals and small employers purchasing health insurance in Colorado as envisioned in Senate Bill 11-200
- Senate Bill 11-200, passed in May 2011, established the Colorado Health Benefit Exchange (COHBE) as a public, non-profit entity governed by a Board of Directors and the Legislative Implementation Review Committee
- The COHBE Board meets twice each month in open session. All meeting information and documents are posted on the COHBE website: www.getcoveredco.org
- In December 2011, the Board of Directors and the Legislative Implementation Review Committee approved the hiring of Patty Fontneau as Executive Director
- In December 2011, the Board of Directors and the Legislative Implementation Review Committee approved the submission of a Level One Establishment Grant Application, requesting \$17.9 million to fund planning activities and the initial acquisition of technology services between late February 2012 and October 2012. That grant was awarded in February 2012
- Colorado is preparing a second Level One Establishment Grant application to submit by August 15, 2012. This application seeks funds to pay for technology and planning activities between October 2012 and July 2013

Business Framework

- COHBE will serve the individual and small group markets, with potential enrollment of more than 400,000 Coloradans
- In the individual market, COHBE will attract consumers to shop for insurance coverage, compare plans based on quality and price, determine eligibility for financial assistance and enroll
- In the small group market, COHBE will operate alongside existing carrier and broker sales and distribution channels, offering a high-quality experience tailored to serve small businesses and non-profit organizations. Small employers with employees who earn an average of \$50,000 or less will have access to premium subsidies to reduce the cost of purchasing insurance
- Small employers and individuals will shop primarily through a website. Assistance will be available by phone through a new Customer Service Center and in person through a new Navigator program

Planning and Implementation Schedule

- COHBE faces a challenging planning and implementation schedule and must meet major back-to-back development milestones to ensure a successful launch in October 2013
- In coordination with the Division of Insurance, health plans must be certified in early 2013
- COHBE business operations and technology system must be certified in early 2013
- Testing of the SHOP and Individual components of the Exchange must begin in February 2013
- Training of users of the shopping portal and Customer Service Center representatives must take place in summer 2013
- The Navigator program must be developed and implemented by the summer of 2013.
- COHBE must work closely with the Division of Insurance, Department of Health Care Policy and Financing and Office of Information Technology to create interoperability for the technology systems to ensure a high-quality experience for individuals and small employers shopping for health plans on the Exchange
- COHBE systems must connect in real-time with insurance companies to process premium payments and enrollment changes



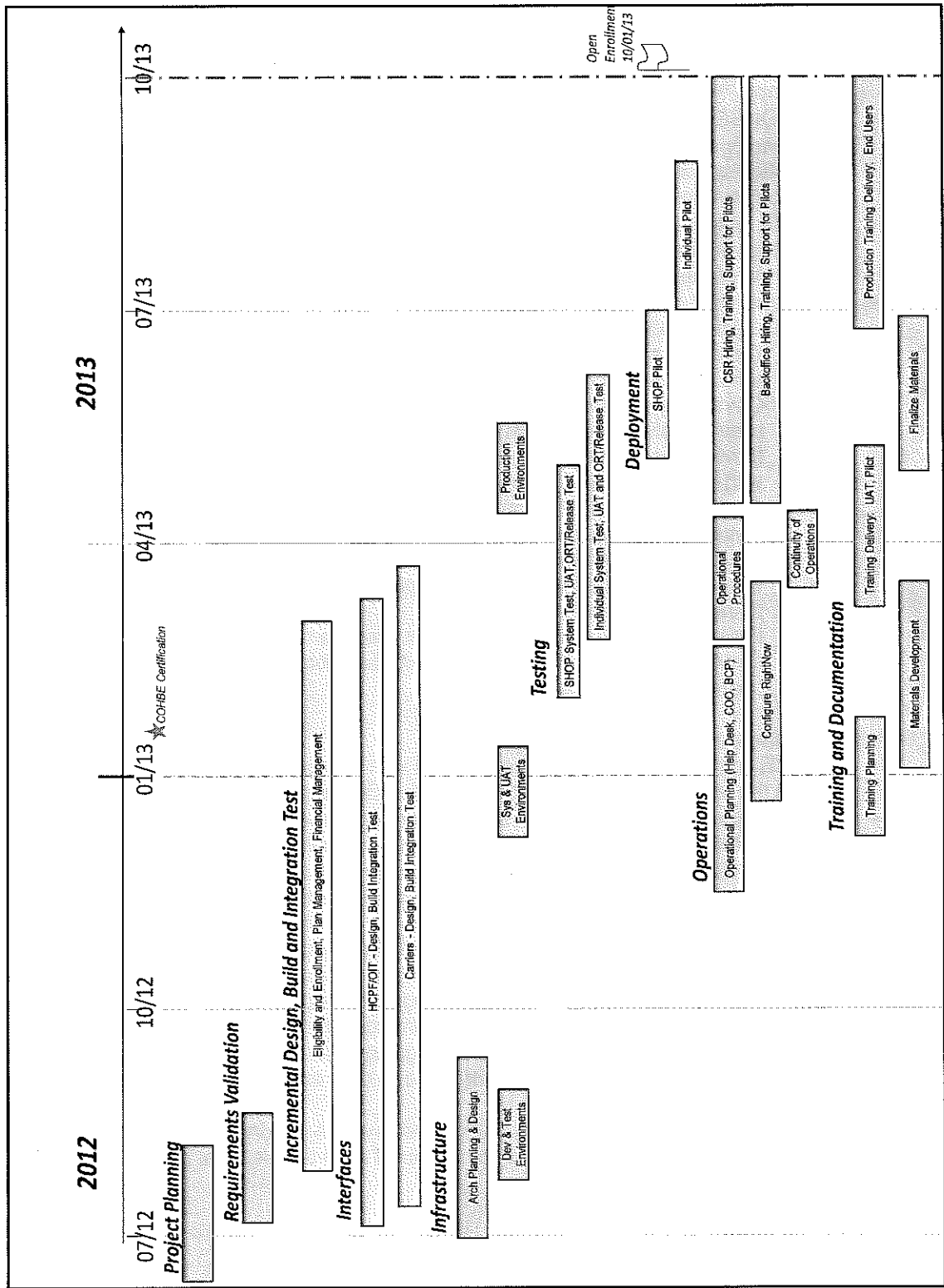
Organization and Staffing

- Patty Fontneau was hired in December 2011 to serve as Executive Director of the Exchange
- Ms. Fontneau has followed a strategic plan to build this start-up organization to meet aggressive deadlines
- The COHBE office is located at Colorado Boulevard and Cherry Creek Drive in Denver
- Staff and consultants include a Chief Financial Officer, Health Plan Manager, Receptionist/Researcher, IT Project Manager, Communications and Outreach, Board Liaison/Business Manager and a Business Analyst
- COHBE has hired a Program Management Office and a team of companies led by CGI to provide and integrate the technology systems and customer service operations that will serve as the backbone of the Exchange
- Additional staff will be needed over the next year to develop and implement a significant number of responsibilities, including:
 - Development and testing of the user interface for customers who use the individual and small employer components of the Exchange
 - Development and implementation of business strategies to attract customers and to provide value to small employers
 - Development and implementation of security and privacy procedures to ensure compliance with legal requirements and to protect consumer information
 - Certification, recertification and decertification of qualified health plans
 - Development, training and management of the new Customer Service Center
 - Development and implementation of billing processes for individuals and small employers who use the Exchange, tracking of payments and aggregation of payments and disbursement to insurance carriers
 - Development of back-office financial management, accounting and human resource systems necessary to operate the organization and ensure financial accountability and comply with reporting requirements

Stakeholder Engagement

- COHBE continues to increase engagement with consumers, businesses and stakeholder groups across the state to obtain input about how the Exchange should be designed
- Since January, COHBE staff and Board members have conducted more than 70 presentations about the Exchange across the state, reaching more than 4,000 people.
- The COHBE Board has established four Advisory Groups to obtain recommendations and input from a range of stakeholder groups about planning activities and policy issues. The Advisory Groups meet in public session and focus on the activities of the SHOP (Small Business Health Options Program), Individual Experience, Health Plans and Outreach and Communications). At times, the groups have met weekly to discuss and reach consensus on a number of policy questions to meet demands of the technology planning activities. The Advisory Groups provide recommendations to the Board prior to Board consideration and votes.
- Advisory Group members and stakeholder groups have provided comments and input on the 19 Board policy decisions that have been made to date and they will be engaged on all future Board discussions.
- Multiple public meetings are held every week – with Advisory Groups, Board committees and the full Board, and ad hoc meetings on other topics such as essential health benefits – to solicit stakeholder input.

COHBE Project Schedule





Work Plan

F.1. Legal Authority and Governance			
Activity	Milestone	Month / Year for Completion	Responsible party
1. Draft enabling legislation, implementing regulations, or other mechanisms that provide the legal authority to establish and operate an Exchange.	Secure enabling legislation for Colorado Exchange	May 2011 (complete)	State Legislature
2. Introduce Exchange enabling legislation.	Secure enabling legislation for Colorado Exchange	May 2011 (complete)	State Legislature
3. Hold public hearings on Exchange enabling legislation	Secure enabling legislation for Colorado Exchange	May 2011 (complete)	State Legislature
4. Obtain the necessary legal authority to establish and operate an Exchange and provides for establishment of governance and Exchange structure.	Secure enabling legislation for Colorado Exchange	May 2011 (complete)	State Legislature
5. Work with stakeholders to answer key questions about the governance structure of the Exchange.	Establish exchange governance structure	December 2011 (complete)	Board of Directors
6. Determine standards for the Exchange governing body that will ensure public accountability, transparency, and prevention of conflict of interest.	Establish exchange governance structure	December 2011 (complete)	Board of Directors
7. Develop a formal operating charter or by-laws that are consistent with State requirements including public accountability, transparency, and conflicts of interest.	Establish exchange governance structure	December 2011 (complete)	Board of Directors
8. Action by the Board to adopt its Articles of Governance which reflect public accountability, transparency and conflict of interest in alignment with enabling legislation, SB 11-200.	Establish exchange governance structure	July 2011 (complete)	Board of Directors
9. Appoint a governing board and a management team sufficient to oversee the operations of the Exchange.	Establish exchange governance structure	July 2011 (complete)	Governor's office and state legislature
10. Ongoing engagement by the Legislative Health Benefit Implementation Review Committee of the Colorado General Assembly.	Establish exchange governance structure	Ongoing	Board of Directors and Executive Director (ED)



F.1 Legal Authority and Governance			
Activity	Milestone	Month / Year for Completion	Responsible party
11. Exchange application approved.	Exchange Declaration Letter submission.	October 2012	Board of Directors and ED
	Blueprint Submission	November 2012	Board and ED
	Exchange Certification	January 2013	Board and ED



F.2. Consumer and Stakeholder Engagement and Support			
Activity	Milestone	Month / Year for Completion	Responsible party
1. The Exchange has developed and implemented a stakeholder consultation plan that defines how the Exchange will consult with consumers, small businesses, agents/brokers, employer organizations and State agencies and relevant stakeholders as required.	Completion of communications plan.	June 2012 complete	Director of Communications and Outreach
	Ongoing meetings with stakeholders according to plan.	Ongoing	Directors of Communications and Outreach
2. Establish, implement, and document a process for consultation with federally recognized Indian Tribal governments to solicit their input on the establishment and ongoing operation of the Exchange.	Completion of Stakeholder Engagement Process	Dec 2011 (complete)	Director of Communications and Outreach
3. The Lieutenant Governor and Exchange staff has and will continue to engage leadership of Tribes in Colorado directly regarding plan and system design. Outreach will continue beyond 2012.	Ongoing Engagement	Ongoing	Director of Communications and Outreach
4. Publish publicly-available minutes from completed open stakeholder meetings. All minutes of board meetings and work group products appear on the website noted in the narrative.	Update the Public on Stakeholder Engagement	Ongoing	ED
5. The Exchange has developed and provides culturally and linguistically appropriate outreach and educational materials and auxiliary aids and services to people with disabilities (including information in an alternate format), regarding eligibility and enrollment options, program information, benefits and services available through the Exchange, SHOP and other Insurance Affordability Programs.	Included in communications and outreach plan, to be operationalized as detailed items in the overall Exchange implementation plan	Ongoing	Director of Communications and Outreach
	Verify the system includes requirements to meet 508 specifications.	August 2012	Technology Lead

F.2.Consumer and Stakeholder Engagement and Support			
Activity	Milestone	Month / Year for Completion	Responsible party
6. The Exchange has an outreach plan for populations including: individuals, businesses, non-profit organizations, entities with experience in facilitating enrollment such as agents/brokers, small businesses and their employees, employer groups, health care providers, community-based organizations, Federally-recognized Tribal communities, advocates for hard-to-reach populations, and other relevant populations.	Included in communications and outreach plan.	June 2012 (complete)	Director of Communications and Outreach
	Detailed activities included in Exchange implementation plan	Ongoing	Director of Communications and Outreach
7. The Exchange provides for the operation of a toll-free telephone hotline (call center) to respond to requests for assistance from the public including individuals, employers, and employees.	RFP for call center submitted	January 2012 (complete)	ED
	Contract for call center awarded	August 2012	ED
	Call center strategy document that addresses call volume, translation services, etc established	October 2012	Vendor / COO
	Detailed Staffing Projections by month/quarter/year tied to volume forecasts, service level agreements and AHT finalized.	November 2012	Vendor / COO
8. The Exchange provides translation and oral interpretation services including individuals, employers and employees at no cost to the caller	Call center implementation plan (timeline, activities, tasks and deliverables) that covers technical, personnel, business process, and other activities is finalized and is managed and monitored by vendor and COHBE.	December 2012	Vendor / COO
	Call center translation and training processes completed.	September 2013	Vendor / COO

F.2. Consumer and Stakeholder Engagement and Support			
Activity	Milestone	Month / Year for Completion	Responsible party
9. The Exchange provides adequate training and resources to operate the call center including an operating plan and procedures.	Contact Center Methods and Procedures to include Scripting, Escalation, Intervention and Transfers finalized.	April 2013	Vendor / COO
	Key contact center deliverables finalized <ul style="list-style-type: none"> • Training Process (Curriculum, delivery method, Train the Trainer Approach, certification, reporting) • QA Process (sample strategy, Voice Analytics, scoring method, calibration, reporting, input to continuous improvement cycle) • Forecasting Process (Cycle Design w/ Ramp Up-Ramp Down methodology, Inputs, Outputs, Variance, Reporting) • Real Time Monitoring and Operations (KPI/SLA, Upload/Access, Exception Management, Escalation, Reporting) • Management Reporting Package (Scheduled, On Demand, Custom Requests) • Continuous Improvement Process 	September 2013	Vendor / COO

F.2. Consumer and Stakeholder Engagement and Support			
Activity	Milestone	Month / Year for Completion	Responsible party
10. The Exchange has established and maintains an up-to-date Internet Web site that provides timely and accessible information on QHPs, Insurance Affordability Programs, SHOP and other relevant items.	Requirements for web site included system design.	July 2012 (complete)	Technology Lead
	Brand strategy and URLs selected	March 2013	Director of Communications and Outreach
	Web sites implemented	October 2013	Technology Lead
11. The Exchange has established or has processes in place to establish and operate a Navigator program, including the development of training and conflict of interest standards and adheres to privacy and security standards	Navigator policy approved	August 2012	ED/ COO
	Navigator operational plan and strategy established	November 2012	ED / COO
	Completed initial navigator training	October 2013	ED / COO
	Plan for ongoing navigator training and outreach agreed	July 2013	ED / COO
12. The Exchange has clearly defined the role of agents and brokers including evidence of licensure, training and compliance with applicable regulations.	Broker policy approved	August 2012	ED
	Broker operational plan and strategy established	November 2012	ED/ COO
	Completed initial broker training	October 2013	ED / COO
	Plan for ongoing broker training and outreach approved	July 2013	ED / COO

F.3. Eligibility and Enrollment			
Activity	Milestone	Month / Year for Completion	Responsible party
1. The Exchange has developed and will use, a single, streamlined application to determine eligibility and collect information that is necessary for enrollment in a QHP for the individual market and for insurance affordability programs. The Exchange has developed and will use an approved application for SHOP.	RFP for technology and services vendor submitted	January 2012 (complete)	ED
	Technology contract awarded	June 2012 (complete)	ED
	E&E Requirements verified	July 2012 (complete)	Technology Lead
	Application Policy agreed	August 2012	ED
	E&E Design complete	December 2012	Vendor



F.3. Eligibility and Enrollment			
Activity	Milestone	Month / Year for Completion	Responsible party
2. The Exchange has developed and documented a coordination strategy with other agencies administering Insurance Affordability Programs and the SHOP that enables the Exchange to carry out E&E activities	High level context diagram finished	May 2012 (complete)	Technology Lead
	Interface requirements validation session complete, MOUs identified	August 2012	Technology Lead
	Detailed interface plan including data elements, anticipated source and communication protocol has been approved and communicated to stakeholders.	August 2012	Vendor
	MOUs with external agencies signed.	October 2012	Technology Lead / PMO
3. The Exchange has the capacity to accept and process applications, updates, and responses to redeterminations from applicants and enrollees, including applicants and enrollees who have disabilities or limited English proficiency, through all channels (in person, online, phone).	E&E requirements validation finalized.	July 2012 (complete)	Technology Lead / PMO
	E&E business process maps approved.	August 2012	Vendor
	System design complete for E&E components including redeterminations and re-enrollment.	December 2012	Vendor
	E&E business processes documents finalized.	June 2013	ED / COO
	Successful submission of intra-governmental and system test summaries	June 2013	PMO
	IV&V report submitted	September 2013	IV&V vendor
System implemented	October 2013	ED	

F.3. Eligibility and Enrollment			
Activity	Milestone	Month / Year for Completion	Responsible party
4. The Exchange has the capacity to send notices including notices in alternate formats and multiple languages; conduct periodic data matching; and conduct annual redeterminations and process responses in-person, online, via email and over the phone.	Requirements validation for notices finalized	August 2012	Technology Lead
	Notices business processes maps approved	August 2012	Vendor
	Notices text and business process docs approved	June 2013	ED
	Successful submission of intra-governmental and system test summaries	June 2013	PMO
	IV&V report submitted	September 2013	IV&V vendor
5. The Exchange has the capacity to conduct verifications and is able to connect to data sources such as the Data Services Hub and other sources, as needed.	Comprehensive list of data sources identified in interface design plan	August 2012	Vendor
	Description of verifications processes finalized	September 2012	Vendor
	Successful submission of intra-governmental and system test summaries	June 2013	PMO
	IV&V report submitted	September 2013	IV&V vendor
6. The Exchange has the appropriate privacy protections and capacity to accept, store, associate and process documents received from individual applicants and enrollees electronically, and the ability to accept, image, upload, associate, and process paper documentation received from applicants and enrollees via mail and/or fax.	Document management requirements finalized	August 2012	Technology Lead
	System Security Plan (SSP) submitted	October 2012	Vendor / COHBE security analyst
	System security plan (SSP) review completed	January 2013	CMS
	Safeguard procedure report (SPR) completed	October 2012	Vendor / COHBE security analyst
	SPR review completed	January 2013	IRS



F.3. Eligibility and Enrollment			
Activity	Milestone	Month / Year for Completion	Responsible party
7. The Exchange has the capacity to determine individual eligibility for enrollment in a QHP through the Exchange and for employee and employer participation in SHOP. In addition, the Exchange has the capacity to assess or determine eligibility for Medicaid and CHIP based on MAGI.	E&E requirements validation finalized.	July 2012 (complete)	Technology Lead/ PMO
	E&E business process maps approved.	August 2012	Vendor
	System design completed for eligibility requirements.	December 2012	Vendor
	E&E business processes documents finalized.	April 2013	ED / COO
	Successful submission of intra-governmental and system test summaries	June 2013	PMO
	IV&V report submitted	September 2013	IV&V vendor
	System successfully implemented	October 2013	ED
8. The Exchange has the capacity to determine eligibility for APTC and CSR including calculating maximum APTC.	Approach for APTC determination approved.	August 2012	ED
	APTC/CSR requirements validation finalized.	August 2012	Technology Lead
	APTC/CSR business process maps approved.	August 2012	Vendor
	System design completed for eligibility requirements.	December 2012	Vendor
	Interface plan approved.	August 2012	Vendor
	E&E business process documents finalized.	June 2013	Vendor
	Successful completion of governmental test summary	June 2013	PMO
IV&V report submitted	September 2013	IV&V vendor	

F.3. Eligibility and Enrollment			
Activity	Milestone	Month / Year for Completion	Responsible party
9. The Exchange has the capacity to independently send notices, as necessary, to applicants and employers that are in plain language, address the appropriate audience and meet content requirements.	Requirements validation for notices finalized.	August 2012	Technology Lead
	Notices business process maps approved.	August 2012	Vendor
	Notices business process documents finalized.	June 2012	Vendor
	Notices text approved	June 2013	ED
	Successful submission of intra-governmental and system test summaries	June 2013	PMO
	IV&V report submitted	September 2013	IV&V vendor
10. The Exchange has the capacity to accept applications and updates, conduct verifications and determine eligibility for individual responsibility requirement and payment exemptions.	E&E requirements validation finalized. .	July 2012 (complete)	Technology Lead
	E&E / exemptions business process maps established.	September 2012	Vendor
	E&E / exemptions system design completed.	December 2012	Vendor
	E&E / exemptions business process documents finalized.	April 2013	ED / COO
	Successful submission of intra-governmental and system test summaries	June 2013	PMO
	IV&V report submitted	September 2013	IV&V vendor



F.3. Eligibility and Enrollment			
Activity	Milestone	Month / Year for Completion	Responsible party
11. The Exchange has the capacity to support the eligibility appeals process and to implement appeals decisions, as appropriate, for individuals, employers and employees	Appeals framework approved.	July 2012 (complete)	ED
	Appeals requirements validation finalized.	July 2012 (complete)	Technology Lead / PMO
	Appeals business process maps approved.	August 2012	Vendor
	Appeals system design completed.	December 2012	Vendor
	Appeals business process documents finalized.	July 2013	ED / COO
	Successful submission of intra-governmental and system test summaries	June 2013	PMO
	IV&V report submitted	September 2013	IV&V vendor
12. The Exchange and SHOP have the capacity to process QHP selections and terminations, compute actual APTC, and report and reconcile QHP selections, terminations, and APTC/advance CSR information in coordination with issuers and CMS. This includes exchanging relevant information with CMS and issuers electronically	Plan selection / reconciliation requirements validation finalized.	July 2012 (complete)	Technology Lead / PMO
	Plan selection / reconciliation business process maps approved.	August 2012	Vendor
	Plan selection / reconciliation system design approved.	December 2012	Vendor
	Plan selection / reconciliation business process documents finalized.	July 2013	Vendor
	Successful submission of intra-governmental and system test summaries	June 2013	PMO
	IV&V report submitted	September 2013	IV&V vendor

F.3. Eligibility and Enrollment			
Activity	Milestone	Month / Year for Completion	Responsible party
13. The Exchange has the capacity to electronically report results of eligibility and exemption assessments and determinations, and provide associated information to government agencies. This includes information necessary to support administration of APTC and CSR as well as to support employer responsibility provisions	Eligibility and APTC/CSR requirements validation finalized.	August 2012	Technology Lead
	Business process maps for eligibility interoperability approved.	August 2012	Vendor
	System design completed for eligibility and APTC/CSR requirements.	December 2012	Vendor
	Interface plan completed.	August 2012	Vendor
	Successful submission of intra-governmental and system test summaries	June 2013	PMO
	IV&V report submitted	September 2013	IV&V vendor
14. The Exchange has a transition plan for high risk pools including State-based PCOP programs and other similar programs.	Risk pool policy established	October 2012	ED
	Plan for transition developed based on policy	December 2012	COO

F.4. Plan Management			
Activity	Milestone	Month / Year for Completion	Responsible party
1. The Exchange has the appropriate authority to perform the certification of QHPs and to oversee QHP issuers.	Secure enabling legislation for Colorado Exchange	May 2011 (complete)	State Legislature

F.4. Plan Management			
Activity	Milestone	Month / Year for Completion	Responsible party
<p>2. The Exchange has a process in place to certify QHPs pursuant to requirements and according to QHP certification requirements. Develop document that describes how the Exchange will ensure that the issuers and health plans meet each of the QHP certification standards. Include the process that the Exchange will use to evaluate issuers and plans including any differences specific to SHOP. Provide a description of the entities responsible for QHP certification and describe roles and responsibilities of each entity as they relate to each of the QHP certification standards. Describe the integration between the Exchange and the DOI.</p>	Plan and Carrier certification policies approved	August 2012	Health Plan Manager
	Plan and Carrier certification and appeals approach and roles/responsibilities defined and agreed. MOU with DOI completed.	October 2012	ED
	Plan management business processes maps approved.	August 2012	Vendor
	Plan and Carrier certification business process documents finalized.	May 2013	Vendor
	Process to review and improve certification process in place	September 2013	Health Plan Manager

F.4. Plan Management			
Activity	Milestone	Month / Year for Completion	Responsible party
<p>3. The Exchange uses a plan management system(s) or processes that support the collection of QHP issuer and plan data, facilitates the QHP certification process, manages QHP issuers and plans, and integrates with other Exchange business areas including the Exchange Internet Web site, call center, quality, eligibility and enrollment and premium processing.</p>	Plan management requirements verified.	July 2012 (complete)	Health Plan Manager
	Plan management business processes maps finalized.	August 2012	Vendor
	Determination of whether the Exchange / DOI will use SERFF or other system for plan management functions.	August 2012	ED / DOI
	System design complete for plan management components.	January 2013	Vendor
	Plan management business process documents finalized.	May 2013	Vendor
	Successful submission of intra-governmental and system test summaries	June 2013	Vendor
	IV&V report submitted	September 2013	Vendor
<p>4. The Exchange has the capacity to ensure QHPs ongoing compliance with QHP certification requirements, including a process for monitoring QHP performance and collecting, analyzing and resolving enrollee complaints.</p>	Agreement on the integration between the Exchange and other State agencies (DOI) for monitoring and complaints management finalized	August 2012	DOI / COHBE
	Business process map for plan monitoring and complaints management established.	September 2012	Vendor
	Business process documents for plan monitoring and complaints management finalized.	May 2013	Vendor

F 4. Plan Management			
Activity	Milestone	Month / Year for Completion	Responsible party
5. The Exchange has the capacity to support issuers and provides technical assistance to ensure ongoing compliance with QHP issuer operational standards	Carrier support approach defined	November 2012	ED / COO Health Plan Manager
	Carrier technology / operations advisory and support group established	June 2012 (complete)	COO
	Carrier training developed and executed	July 2013	COO
6. The Exchange has a process for QHP issuer recertification, decertification, and appeal of decertification determinations.	Plan and Carrier certification and appeals policies approved	September 2012	Health Plan Manager
	Plan management certification and appeals business processes maps approved.	October 2012	ED
	Plan and Carrier certification and appeals business process documents finalized.	May 2013	Vendor
	Process to review and improve certification process in place	September 2013	Health Plan Manager
7. The Exchange has a set timeline for QHP issuer accreditation. The Exchange also has systems and procedures in place to ensure QHP issuers meet accreditation requirements as part of QHP certification in accordance with application	Market survey to determine appropriate accreditation for issuers	September 2012	Health Plan Manager / DOI
	Define timeline for accreditation	November 2012	Health Plan Manager / DOI
	Communicate timeline to carriers	November 2012	Health Plan Manager / DOI
8. The Exchange has systems and procedures in place to ensure the QHP issuers meet the minimum certification requirements pertaining to quality reporting and provide relevant information to the Exchange and other entities.	Plan quality reporting policy approved	September 2012	Health Plan Manager
	Technology to accept quality data designed	December 2012	Vendor



F.4. Plan Management			
Activity	Milestone	Month / Year for Completion	Responsible party
9. Establish Health Plan advisory group to assist in policy decisions related to issuers	Health Plan advisory group established.	May 2012 (complete)	ED
	Carrier technology / operations advisory and support group established.	June 2012 (complete)	Technology Lead

F.5. Financial Management			
Activity	Milestone	Month / Year for Completion	Responsible party
1. Manage the planning grant consistent with grant requirements.	Adhere to financial monitoring activities under the Establishment Cooperative Agreement	Ongoing	CFO
2. Adhere to Financial monitoring requirements.	Adhere to financial monitoring activities under the Establishment Cooperative Agreement	Ongoing	Board of Directors and Executive Director
3. Appoint Board Finance committee.	Define financial management structure and the scope of activities required to comply with SB11-200	January 2012 (complete)	Board of Directors
4. Adhere to Colorado state regulations as defined in enabling legislation. All moneys received by the Board of Directors are subject to audit by the Colorado General Assembly Legislative Audit Committee as established in enabling legislation, SB11-200.	Define financial management structure and the scope of activities required to comply with SB11-200	January 2012 (complete)	Board of Directors, ED and CFO
5. The Exchange is committed to hiring highly qualified professionals in all levels of the financial management of the Exchange. The CFO is expected to be recruited and hired by the Executive Director (ED) at the inception of the Level One grant.	Establish a financial management structure and commit to hiring experienced accountants	June 2012 (complete)	ED
6. ED will hire staff during the grant period.	Establish a financial management structure and commit to hiring experienced accountants	Ongoing	ED

F.6. SHOP			
Activity	Milestone	Month / Year for Completion	Responsible party



F 6.SHOP			
Activity	Milestone	Month / Year for Completion	Responsible party
<p>1. The SHOP Exchange provides both employees and employers with an appropriate amount of choice and structure to meet the mission and objectives of the Exchange and satisfies all regulatory requirements. These include:</p> <p>a. The capacity to allow a qualified employer to select a metal tier and allow employees to select from all QHPs within that level for coverage. Other coverage options may also be made available to employees</p> <p>b. If minimum participation is required</p> <p>c. The capacity to define set contribution amounts or percentages</p>	Small group size policy approved	May 2012 (complete)	ED
	Employer and employee choice policies approved	August 2012	ED
	Small group size calculation confirmed	November 2012	ED
	SHOP requirements validated	August 2012	Technology Lead
	SHOP business process maps approved	September 2012	Vendor
	SHOP system design completed	November 2012	Vendor
	SHOP Pilot deployed	May 2013	Technology Lead
	SHOP business processes documented.	September 2013	Vendor
<p>2. The SHOP has the capacity to ensure that all QHP issuers make rate changes at a uniform time that is either quarterly, monthly or annually and has the capacity to prohibit all QHP issuers from varying rates for a qualified employer during the employer's plan year.</p>	Roles and responsibilities for issuer oversight with DOI agreed.	October 2012	COHBE / DOI
	Business processes to ensure that issuers do not vary SHOP rates during plan year finalized	September 2013	TBD
<p>3. The SHOP has the capacity to offer small employers only QHPs that meet the requirements for the State's small group market</p>	Verification whether the Exchange has a requirement to allow carriers to identify a plan as available in the individual Exchange, the SHOP Exchange or both received.	August 2012	Health Plan Manager / DOI
<p>4. The SHOP has established a premium calculator to facilitate the comparison of available QHPs after the application of any applicable employer contribution in lieu of any advance payment of the premium tax credit and any cost sharing reductions.</p>	SHOP requirements verified, including the need for a premium calculator.	August 2012	Technology Lead

F.6 SHOP			
Activity	Milestone	Month / Year for Completion	Responsible party
5. The SHOP is compliant with regulatory requirements.	Small group size policy agreed	May 2012 (complete)	ED
	Employer and employee choice policies approved	August 2012	ED
	Small group size calculation confirmed	November 2012	Health Plan Manager / DOI
	SHOP business processes finalized.	May 2013	Vendor
6. The Exchange has the capacity for SHOP premium aggregation.	SHOP premium aggregation policy approved	May 2012 (complete)	ED
	SHOP requirements validation finalized	August 2012	Technology Lead
	SHOP business process maps approved.	August 2012	Vendor
	System design completed for SHOP components.	December 2012	Vendor
	SHOP business processes, including premium aggregation and reconciliation finalized.	May 2013	Vendor
	Successful submission of intra-governmental and system test summaries IV&V report submitted	June 2013 September 2013	COHBE PMO IV&V Vendor



F 6.SHOP			
Activity	Milestone	Month / Year for Completion	Responsible party
7. The SHOP Exchange has the capacity to electronically report information to the IRS for tax administration purposes.	High level context diagram complete – includes IRS interface finalized	May 2012 (complete)	Technology Lead
	Interface requirements validation session complete, MOUs identified	August 2012	Technology Lead
	Detailed interface plan including data elements, anticipated source and communication protocol finalized and published.	August 2012	Vendor
	System design completed for SHOP components.	November 2012	Vendor
	Successful submission of intra-governmental and system test summaries	June 2013	COHBE PMO
	IV&V report submitted	September 2013	IV&V Vendor
	Safeguard procedure report (SPR) completed	October 2012	Vendor / COHBE security officer
	SPR review finalized.	January 2013	IRS
8. The Exchange has established a SHOP Experience Advisory group to assist in SHOP policy decisions, and design items	SHOP Advisory Group established	May 2012 (complete)	Board of Directors

F 7. Organization and Human Resources			
Activity	Milestone	Month / Year for Completion	Responsible party
1. The Exchange has an appropriate organizational structure and staffing resources to perform Exchange activities.	Operational organizational chart defined	July 2012 (complete)	CFO
	Roles and responsibilities defined	September 2012	CFO
	Hiring strategy defined	September 2012	CFO
2. The Exchange has an adequate staffing plan – including hiring, training, oversight and monitoring call center resources.	Call center operations plan and processes finalized	April 2013	Vendor / COO

F.8.Finance and Accounting			
Activity	Milestone	Month / Year for Completion	Responsible party
1. The Exchange has a long term operational budget and management plan, monitors its finances, and is able to track its costs and revenues.	Budget and management plan defined	August 2012	CFO
	Budget monitored	Ongoing	CFO
2. The Exchange has defined methods for generating revenue (e.g., user fees) and has the appropriate legal authority to support this method.	Sustainability model approved.	Q3 2012	ED
3. The Exchange has defined procedures to ensure appropriate oversight of all budget and cost items to avoid fraud, waste and abuse of funds.	Fraud, waste and abuse policies approved	September 2012	CFO / Board
	FWA processes developed	December 2012	CFO

F.9.Technology			
Activity	Milestone	Month / Year for Completion	Responsible party
1. The Exchange technology and system functionality complies with relevant IT guidance.	Regular meetings with CMS IT resources established to review and discuss technology issues and decisions.	March 2012 (complete)	Technology Lead
2. The Exchange has the adequate technology infrastructure and bandwidth required to support all of the Exchange activity	Sizing estimates finalized.	September 2012	ED / COO/ Technology Lead
	Technical requirements for sizing estimates completed.	October 2012	Technology Lead
	Volume test plan approved	December 2012	Vendor
	Volume test finalized	July 2013	Vendor
	Successful completion of the following contact center deliverables: <ul style="list-style-type: none"> • Voice Telephony Network • Voice Telephony Platform (IVR, ACD, Skills, Routing, etc) • Voice Telephony Platform CTI Integration with CRM and IVR • Voice Analytics • Data Network (Inter-Site, Internet, VPN) 	May 2013	Vendor



F.9. Technology			
Activity	Milestone	Month / Year for Completion	Responsible party
3. The Exchange effectively implements IV&V, quality management, and test procedures for Exchange development activities.	IV&V RFP submitted	September 2012	COHBE PMO
	IV&V vendor selected	October 2012	ED
	IV&V vendor final report submitted	September 2013	IV&V Vendor
4. The Exchange demonstrates it has achieved essential functionality for each required activity	CMS planning gate review successfully completed	March 2012 (complete)	ED
	CMS design review successfully completed	September 2012	Vendor / PMO / Technology Lead
	CMS Pre-Operational review successfully completed	September 2013	Vendor / PMO / Technology Lead
5. The Exchange has created appropriate oversight to manage and monitor the technology vendor.	Fixed price contract terms and conditions agreed	June 2012 (complete)	ED
	Deliverable review process agreed	June 2012 (complete)	COHBE PMO
	Change management process agreed	August 2012	Vendor /Technology Lead / PMO
6. The Exchange has appropriate oversight of dependent project and/or appropriate contingency plans in the event that dependent projects are unable to meet critical milestones.	Delivery oversight team, consisting of leadership from all dependent projects and vendors convened.	July 2012	ED / Technology Lead
	Risk management plan developed.	August 2012	Vendor

F.10. Privacy and Security			
Activity	Milestone	Month / Year for Completion	Responsible party
1. The Exchange has established and implemented written policies and procedures regarding the Privacy and Security standards.	Security consultant hired	August 2012	Technology Lead
	Security policies for employees of the Exchange, including call center staff, defined. These policies will include HIPAA compliance, PIA compliance, and computer security compliance.	December 2012	ED / COO
	Training on all security policies complete for staff and contractors prior to go-live	March 2013	CFO / COO
	Ongoing training/ new hire training defined, scheduled and in-place.	March 2013	CFO / COO
2. The Exchange has established and implemented safeguards that (1) ensure critical outcomes including authentication and identity proofing functionality and (2) incorporates IT requirements as applicable.	System Security Plan (SSP) completed	October 2012	Vendor / COHBE security analyst
	System security plan (SSP) reviewed successfully	January 2013	CMS
	Safeguard procedure report (SPR) finalized	October 2012	Vendor / COHBE security analyst
	SPR reviewed successfully	January 2013	IRS
3. The Exchange has adequate safeguards in place to protect the confidentiality of all Federal information received through the Data Services Hub, including but not limited to Federal tax information	IRS Safeguard procedures report completed	October 2012	Vendor / COHBE security analyst
	Letter from IRS confirming the Exchange has met SPR policies received.	January 2013	IRS



F.11 Oversight, Monitoring and Reporting			
Activity	Milestone	Month / Year for Completion	Responsible party
1. The Exchange has a process in place to perform required activities related to routine oversight and monitoring of Exchange activities (and will supplement those policies and procedures to implement all appropriate regulations).	Oversight policies agreed	May 2012 (complete)	CFO
	Oversight policies developed and implemented.	November 2012	CFO
2. The Exchange has the capacity to track and report performance and outcome metrics related to Exchange Activities and SB2011-200 including annual reports.	Define financial reporting policies and standard list of reports	May 2012 (complete)	CFO
	Develop and implement financial and quality reporting processes	December 2012	CFO
3. The Exchange has instituted procedures and policies that promote compliance with appropriate financial integrity provisions including requirements related to accounting, reporting, auditing, cooperation with investigations, and application of the False Claims Act.	Determine which financial or accounting standards the Exchange will use (e.g., GAAP)	May 2012 (complete)	CFO
	Define financial reporting policies and standard list of reports	May 2012 (complete)	CFO
	Verify that reports are generated by system and/or other tools.	June 2013	Vendor

F.12 Contracting, Outsourcing and Agreements			
Activity	Milestone	Month / Year for Completion	Responsible party
1. The Exchange has executed appropriate contractual, outsourcing, and partnership agreements with vendors and/or State and Federal agencies for all Exchange activities and functionality as needed.	Vendor selection policy developed	February 2012 (complete)	CFO
	Vendor tracking system implemented	July 2012 (complete)	PMO



G. Budget Narrative

The Colorado Health Benefit Exchange (COHBE) offers several value propositions to individuals and small group employers who will utilize the Exchange to purchase health insurance products. In Colorado, each of these two groups of purchasers will have their own unique shopping experience via the Individual Exchange and the SHOP Exchange.

Users of the Individual Exchange will have unprecedented access to a variety of health plans on a “marketplace” that allows them to make “apples-to-apples” comparisons. COHBE’s Navigator Program and Customer Contact Center will aid individuals with the purchase of health insurance even if they do not have access to the COHBE system via the on-line website. COHBE is committed to provide individual consumers with a world-class shopping experience, including all the support needed to simplify plan selection and purchasing.

Small employers, with up to 50 employees, will use the SHOP Exchange to enroll in insurance plans for their employees. Expanded choice is a major advantage for small employers, and it will happen in two ways (1) employers may elect to provide their employees with the opportunity to select from more than one carrier, more than one plan, and even more than one tier of plans, and (2) we anticipate that small businesses that wish to use trusted advisors will have the opportunity to do so with access to all plans sold on the Exchange. Most importantly, transparent and clear product offerings greatly enhance the shopping experience for small business owners.

Contractual - Technology

The Contractual Category is reserved for technology services and licenses provided by vendors, most of who have already been identified under the RFP process managed during COHBE’s first Level One grant period.

CGI will provide all services required to implement the Individual and SHOP Exchanges, to deliver fully operational Exchanges, and to transition them from implementation to steady state operation after completion of the post Go-Live implementation support. CGI will structure the system with a modular design comprised of configurable commercial-off-the-shelf (COTS) products plus modifications integrated around a Service Oriented Architecture (SOA)-based Enterprise Service Bus (ESB). CGI will also provide technical interoperability with multiple federal and state systems required to operate Individual and SHOP Exchanges.

CGI will deliver an Individual Exchange that meets COHBE’s functionality requirements as outlined in SB11-200 and the business areas of such an Exchange including Eligibility, Enrollment, Plan Management, and Financial Management. CGI will provide functionality for premium aggregation and payment processing for the SHOP Exchange, and provide the capability to provide premium aggregation and payment processing for the Individual Exchange. The SHOP Exchange will have its own web pages that will have the same features and meet the same capability, performance and other requirements of the Individual Exchange website. CGI was selected using a formal RFP process under the terms of COHBE’s Procurement Policy.

Oracle is providing software to support Exchange implementation and operations. Products include the SOA Suite and the RightNow CRM application to support the customer service center. Oracle products were proposed as part of the CGI Exchange architecture. COHBE elected to license these products directly from Oracle (rather than including these in the CGI



contract) in order to reduce federal funding requirements and COHBE's on-going operational costs.

hCentive is providing the Exchange software application to enable eligibility determination, plan selection and enrollment capabilities. The application includes software to operate the Individual and SHOP Exchanges. COHBE elected to license this product directly from hCentive (rather than including these in the CGI contract) in order to reduce federal funding requirements and COHBE's on-going operational costs.

HealthAction is providing the Exchange software application to enable billing/accounts receivables. COHBE elected to license this product directly from hCentive (rather than including these in the CGI contract) in order to reduce federal funding requirements and COHBE's on-going operational costs.

Salaries and Wages

The positions of all full and part-time staff members in the organization are reflected in the attached Grant Request Spreadsheet (GRS). At this period in the life of the Exchange, the staff will take the organization from planning & design into the build-out of the IT systems to launch the pilot programs for initial small business and individual consumers.

The GRS provides detail for each staffing position, the name of the staff member if known, the annual salary, the percentage of time budgeted for the program, the actual or anticipated hire date, the quarterly budget for the position and the breakout by core area. The grant period of October 16, 2012 through July 15, 2013 is sectioned into three quarters – (1) October 16, 2012-January 15, 2013, (2) January 16, 2013-March 15, 2013, and (3) March 16, 2013-July 15, 2013. COHBE made considerations for two levels of staffing, *Ongoing Staff* and *Implementation Only Staff*. Developing staffing levels clarifies the organization's overall strategy and helps define sustainable budgeting.

The personnel expenses shown for this application are not funded under any other sources. As represented in the supplied Organizational Charts, COHBE is arranged into 5 primary functional areas:

Oversight and Support – (Executive Director, the PMO, administrative staff, and Legal) these positions manage and assist in the administration of the overall operations of the Exchange.

The **Executive Director** (ED) provides leadership and direction for the Exchange's strategic objectives and brings them to the Board for input, discussion and decision. The ED develops and maintains effective relationships with key stakeholders including the state legislature and provides oversight to all Exchange activities.

Operations, Policy & Business Strategy – (COO, Health Plan Manager, Business Strategy Manager, Shop Manager, Call Center/Customer Service/Training Manager, Navigator Education & Coordinator, and supporting staff) these positions provide a framework for development of the processes and procedures around policy decisions, certifications and health plan management, call center operations, including a focus on customer services and assistance with eligibility and enrollment, verifications, risk adjustment, reinsurance, and broker & navigator services. Management and operations of the SHOP Exchange is supported by staff members in this area. The work performed by these crucial positions governs the way in which the organization will operate when the technology is in place and enrollment begins. There are positions in this area that will phase out as the organization transitions beyond its initial implementation phase.



The **Chief Operating Officer (COO)** has responsibility for the strategic and operational areas of the Exchange. This position will provide leadership to the operational and strategic plan for the organization, in concert with the ED and CFO, and will lead the performance management process that will measure and evaluate progress against organizational goals. The COO will implement new strategic initiatives. The COO will partner with the ED to inform the Board on operations of the Exchange and will manage the operations staff.

Technology – (technology lead and support staff) these positions manage the technology vendor, shape design of the exchange, and ensure interoperability and quality. The technology staff will expand and contract as necessary to allow the fluidity needed to manage technology and testing activities while maintaining for fiscal responsibility. Several consulting positions support this area of focus including IV&V and testing professionals.

Outreach and Business Development – (communications and business development staff) these staff members are responsible for informing all stakeholders of the activities of the Exchange, and most importantly, delivering information throughout communities to create the interest in and knowledge about the Exchange required to drive enrollment.

Finance, Compliance & Procurement – (CFO, Accounting, and Grant Compliance) this staffing area is responsible for the financial management and long-term sustainability of the organization and for ensuring COHBE is compliant under its grants and following best practices.

The **Chief Financial Officer (CFO)** is responsible for management oversight of the strategic direction of the financial operation of the Exchange including procurement, sustainability, compliance, and financial integrity. The CFO ensures the systems are in place for accurate accountancy and control and prepares all financial reports as required by law, regulation or other governing authority. This position works with the ED on strategic initiatives of the Exchange.

Any consultants to the Exchange are classified as such and are shown in the Consultant Costs portion of the Application.

Taxes, Insurance and Benefits

The rates for employment taxes, insurance and benefits on the GRS reflect the employer-paid costs that are federally and state mandated, as well as benefits provided to personnel including health care coverage, 403b plan, and disability insurance.

Consultant Costs

The Exchange will utilize consultants for roles that are needed for a finite period. Consultant positions listed in the GRS directly impact COHBE's ability to execute the requirements outlined in the Blueprint for Approval of Exchanges document issued by CCIIO. If a Master Services Agreement and Statement of Work have been negotiated, the consultant has been listed in this narrative. Consulting costs are detailed in the GRS. There are no benefits paid to any consultants.

The consultant positions include:

IT Project Management, Eligibility & Interoperability (GMS Enterprises LLC): This group is primarily responsible for the design and functionality of the Exchange's technical systems. IT



services will analyze technical architecture and evaluate these in coordination with business objectives. The following consultants will work with the IT Project:

- Security/Privacy
- Technical Architect
- Business Intelligence
- Data Warehousing
- 508 Compliance
- IT Testing
- Eligibility & Interoperability

Program Management Office (PMO) (North Highland): This function provides leadership and oversight of the entire Exchange Project Plan throughout the phases of planning, pre-implementation and implementation of the COHBE IT system(s) and related services. Project management will be responsible for managing project scope, quality, risk, budget and schedule. COHBE developed a comprehensive statement of work (SOW) with its PMO to ensure the correct level of oversight, monitoring and accountability exist for all phases of the Exchange planning and implementation. The SOW includes the development of the PMO structure, evaluation of resources, reporting, management of vendor program-level deliverables, and develop a change management plan.

Independent audit firm to perform Financial and A-133 Audit annually (Kundinger, Corder & Engle, P.C.)

IV & V: This function verifies and validates the execution of the technology aspects of the project. IV&V provides independent monthly reviews of project status and identifies recommendations and correlative actions. Intermittent IV&V reviews include examination of project documents such as project plans, scope statements, acquisition documents, design documents, test plans and post-implementation support plans, as well as support for organizational structure for systems management. The IV&V contractor plays a large part in reporting to the appropriate board committees on activities and risks.

Contact Center Specialist (Eventus): A successful call center is a key element to facilitating enrollment in the Exchange. This consultant group will support vendor management for the contact center partner. Support includes oversight and reporting on contact center launch activities such as staffing, management activity and quality assurance. The Contact Center Specialist will provide gap analysis and develop structure for business reviews.

Business Process Design: Market-facing business processes developed during the Level One grant period include reviews of best practices from other states and coordination across departments in state government. Given the accelerated development time frames for COHBE, resources are required to coordinate business processes required under the Blueprint for Approval issued by CCIIO.

Legal: Legal support for contract negotiations, appeals processes, legal interpretation on state and federal laws.

CBMS Interoperability: Expertise is needed around the technical interoperability between COHBE and CBMS, which is the system used by the State to determine eligibility for their medical and financial assistance programs. This position would support all aspects of the



interface and work plan and would work in conjunction with both CBMS staff and COHBE's technology team.

Forms and Rate Review Analysis: Support is needed specific to Rate Review and Form Review. These positions will work on the products offered through the Exchange, work with carriers regarding requirements, review forms submitted by carriers, and assist with compliance.

Actuarial Support & Market Analysis: This function provides COHBE with the technical support to estimate the degree of demand in various demographic groups as well as the ability to size the Exchange to meet that demand. Actuaries will assist with scalability planning by providing information related to concerns of the Exchange such as market dynamics and statistical input around a transitional enrollment market.

Market Sustainability Assessment: The Exchange must work to have a sustainable business plan before the end of the Level One grant period. To achieve this objective, work must be done related to gathering a better understanding of the segmented Colorado marketplace that will benefit from the Exchange and to understand how the Exchange may affect the insurance marketplace throughout the state.

Operational Consulting: During the Level One grant period, the environment of COHBE is changing at a rapid pace. The consultants in this group provide temporary services and support required to carry out operational functions on the accelerated time frames required.

Travel

In-state travel by COHBE staff provides outreach and education to stakeholders and consumers about the purpose and function of the exchange. During the second level one grant period, COHBE's staff has scheduled fifty-one trips to rural Colorado communities to encourage widespread involvement and input into the Exchange activities. Additional travel is required to attend Exchange implementation meetings and conferences, and to meet with governing organizations and other state Exchange participants. All travel is expected to either directly support the operations of the Exchange or to provide meaningful opportunities to streamline processes and policy discussions.

All travel by COHBE employees must be in accordance with the organization's Travel Policy. Mileage for business use of personal vehicles will be at the current IRS rate. Air travel is based upon estimated costs for an economy ticket from Denver to the destination city. Hotels, rental cars, meals, and parking reimbursements are based upon average fees and the GSA per diem schedule for the travel destination or region. Detailed travel expenses for each trip or type of trip is outlined in the GRS. Below are descriptions for each category of travel expense scheduled:

Travel: Travel requested will facilitate Exchange planning and meetings with key stakeholders. One trip per quarter is expected to the east coast for implementation meetings for two COHBE staff members. An additional trip is expected to the west coast. All other travel is for key stakeholder meetings throughout the state in areas listed such as Grand Junction, Pueblo, Greeley, and Durango. The key stakeholder meetings are expected to take place at least two times.



Operations, Policy, and Business Strategy: Meetings for the Health Plan / Business Strategy group have been slated for Washington DC, Atlanta, Houston, and within Colorado. These meetings are related to plan management, integration of the SERFF system, and within the state, to meet with key carriers who are not headquartered in the Denver metro area. Two Policy meetings are scheduled.

Communications, Outreach, Business Development & Training: Travel for the Outreach and Business Development staff throughout the state is for consumer education & outreach purposes to areas such as Colorado Springs, Alamosa, Ft. Collins, and the Tribal regions of Southwestern Colorado. The critical objective of this outreach is to inform communities about the Exchange, to ensure those interested in enrolling have access to the system, to support stakeholders and to provide training.

Equipment

Items shown in this category are tangible property with a useful life of more than one year and a cost of \$5,000 or more per item. These items include specific types of computer hardware and furnishings to support the staff activities for the Exchange. Details on the quantity and cost are included in the GRS. Also included in this category are necessary Leasehold Improvements that will be capitalized by the organization under its Financial Policies. It is the expectation of COHBE that these items will become property of the recipient at the end of the grant period, as they are instrumental to the success of the organization and the program.

Supplies

Supplies include paper, pens, ink, staplers, notebooks, etc. required for staff to perform their job duties. Electronic items that do not meet the \$5,000 threshold as defined under the Equipment Category will be classified as a supply expense. These items include laptops, stationary computers, phones, and other miscellaneous hardware. Licensing fees for software required by staff to manage the operations and provide financial oversight are included in the Supplies Category – expected software acquisitions include SharePoint for document management, CRM software, Visio, Microsoft Office Suite, Adobe, etc.

Other

The Other Category includes direct costs for the Exchange that are not categorized elsewhere. The detail for each type of expense, and when it is expected to occur, is shown in the GRS. Generalized cost categories are outlined below:

Office and related occupancy expenses: Rent – 9 months for 33 staff members and on-site consultants, maintenance, copier, printing – business cards, educational/sales materials, paper and envelopes telecom – telephone service, conferencing service and IT – wireless and internet, and document shredding are necessary for the business operations of the Exchange.

Productivity support expenses: Training for staff members related to Exchange activities and specific types of professional development, business consortium memberships, educational certification, and reference materials are required for staff competency;

Communications, outreach and marketing expenses: Beginning in the fall of 2012 and continuing through Exchange operations, COHBE will develop and implement a strategy for informing the Colorado marketplace about the service offerings of the exchange and how subscribers will access and utilize the website and contact center to purchase health insurance products. For a successful program, the Exchange must attract hundreds of thousands of Coloradans by creating an education



and marketing campaign that spans throughout the state. Additional goals of this program will be to educate Coloradans about health insurance options and to reduce the number of uninsured in the state. The campaign to ensure utilization will include: Materials to provide information to community members and stakeholders about the Exchange, a marketing and communications plan, conferences and meetings hosted by COHBE to support consumer education, media buys and costs associated with the development of training programs;

Business Support & Miscellaneous: SERFF Business Requirements, board expenses, bank fees, Insurance – general liability, E&O, Employee Dishonesty and Cyber Insurance, and Recruiting fees if required to staff 6 of the 27 new positions.

Direct Costs

The total of the Direct Costs requested in this application is \$43,486,746.

Indirect Costs

There are no Indirect Costs requested in this application.



H. Additional Letters of Agreement/ Descriptions of projects

As described earlier in the application, COHBE is coordinating closely with Colorado agencies that are critical to the successful implementation of the Exchange. Representatives from the Department of Health Care Policy and Financing (HCPF), Division of Insurance (DOI) and Office of Information Technology (OIT) have been participating in key meetings over the past year, including evaluations of proposals and interviews with companies that submitted applications to serve as the technology and customer service center business partners and requirements validation sessions. COHBE team members meet weekly with representatives from the Medicaid agency (HCPF) and OIT to discuss implementation issues. COHBE and the DOI meet regularly to discuss policy and process issues, including essential health benefits, plan management and QHP certification. The Executive Director of HCPF, Sue Birch, and Insurance Commissioner Jim Riesberg are members of the COHBE Board.

COHBE is preparing to finalize Memorandum of Understanding agreements (MOUs) with the Department of Health Care Policy and Financing, the Office of Information Technology and the Division of Insurance that will outline the division of responsibilities and the partnerships in the areas of operations and technology with COHBE. These agreements are scheduled to be completed in October 2012. The agreements will focus on systems interoperability related to enrollment and eligibility, handling of appeals and other business processes, plan management and certification processes and cost allocations for staff resources, services and technology.

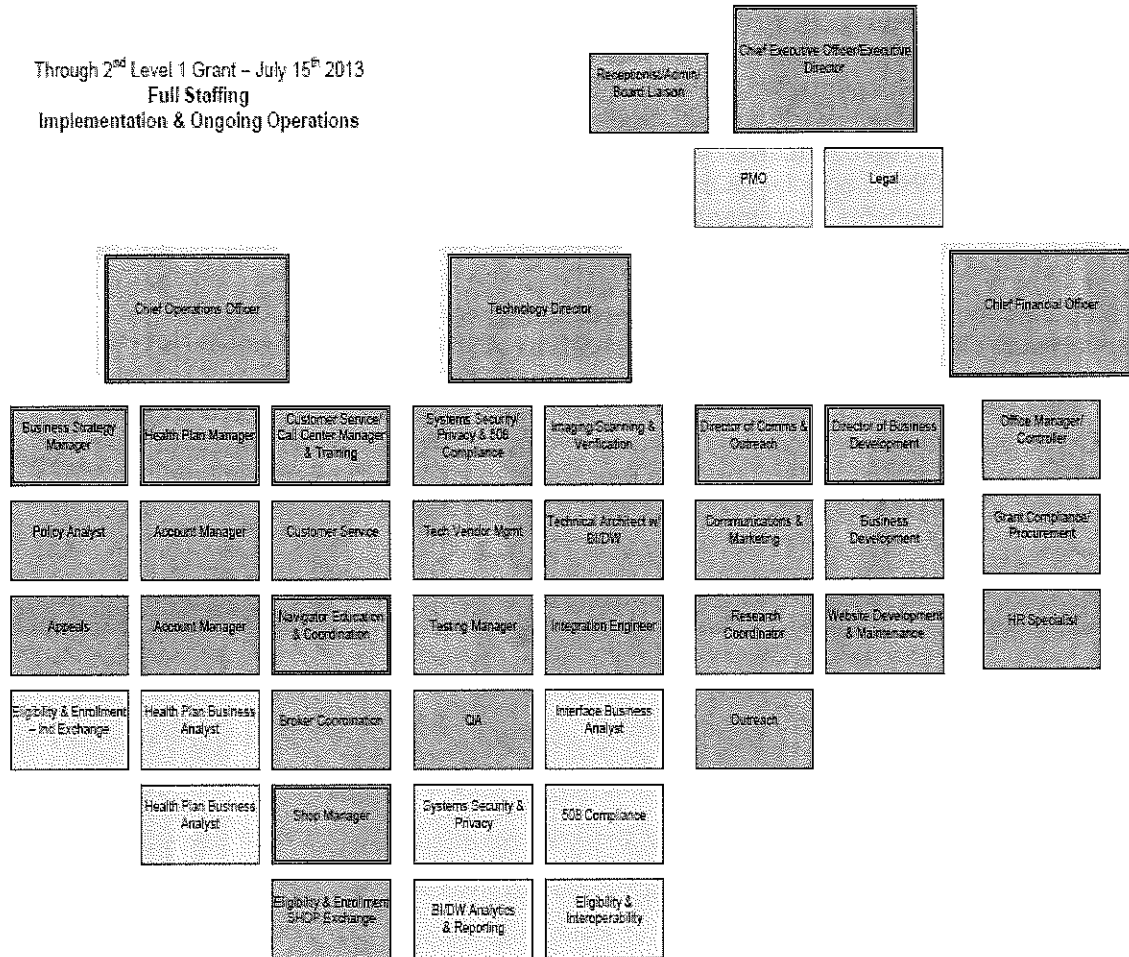
I. Description of Key Personnel & Organizational Chart

Key personnel positions are described above in section E.9.



Key Personnel and Organizational Chart – Through Implementation

Through 2nd Level 1 Grant – July 15th 2013
 Full Staffing
 Implementation & Ongoing Operations



Key Personnel and Organization Chart – Post Implementation

Through 2nd Level 1 Grant – July 15th 2013
 COHBE Ongoing Staff
 33 FTEs

